



DEPARTMENT OF THE NAVY

OFFICE OF THE SECRETARY

1000 NAVY PENTAGON

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SECNAVINST 5420.197A

DUSN (Management)

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SECNAV INSTRUCTION 5420.197A

From: Secretary of the Navy

Subj: DEPARTMENT OF THE NAVY BUSINESS TRANSFORMATION COUNCIL

Ref: (a) National Defense Authorization Act for Fiscal Year 2008, Public Law 110-181, Section 904; Management of The Department of Defense
(b) Duncan Hunter National Defense Authorization Act for Fiscal Year 2009, Public Law 110-417, Section 908; Business transformation initiatives for the military departments
(c) SECNAVINST 5430.7Q "Assignment of Responsibilities and Authorities in the Office of the Secretary of the Navy" of 17 August 2009

Encl: (1) Business Transformation Council Structure (Three Tiered)

1. Purpose

a. To establish policy and responsibilities for the Department of the Navy (DON) Business Transformation Council (BTC), with the membership and processes defined herein. The BTC provides a senior DON forum in which business transformation efforts that cross organizational and/or functional boundaries can be strategically assessed, approved, and accelerated. This is in alignment with the Department of Defense (DoD) Defense Business Council (DBC), which was created as the principal subsidiary governance body of the Deputy's Management Action Group to oversee business operations and provide a senior DoD forum to align transformation efforts.

b. References (a) and (b) require military departments to establish a Chief Management Officer (CMO), an office of business transformation, and a director of the office of business transformation. Per reference (c), the Under Secretary of the Navy, as the CMO for the DON, serves as the chairperson of the BTC. The BTC's mission is to direct DON business operations and transformation efforts which are necessary to improve core business processes to effectively manage the DON in support of the warfighter. These efforts include: human

resources management, weapon system lifecycle management, materiel supply and service management, real property and installations lifecycle management, and financial management.

2. Cancellation. SECNAVINST 5420.197

3. Applicability. This instruction applies to the DON development and implementation of Secretary of the Navy's (SECNAV) initiatives.

4. Policy. A three tiered organizational structure of the BTC is established, as defined in enclosure (1). The mission and scope of the BTC (top tier), remains unchanged. The CMO Advisory Group (AG) (second tier), and the CMO Working Group (WG) (third tier), are established to improve collaboration and optimize senior leadership involvement.

5. Responsibilities

a. The BTC advises the SECNAV on the strategic direction of the DON regarding business operations and transformation, and associated costs in support of these efforts. The BTC makes decisions and provides direction for the entire Department, approves business strategies and goals, and identifies performance metrics to evaluate progress toward desired outcomes. The BTC also ensures DoD policy resulting from DBC decisions is communicated and executed throughout the DON. This instruction in no way rescinds the statutory or regulatory responsibilities assigned to other organizations or offices within the DON. The BTC:

(1) Provides a DON forum to collaborate, integrate, and promulgate senior level direction regarding major issues impacting business operations.

(2) Provides strategic level DON business operations information to the DoD CMO/Deputy CMO to assist in the performance of their duties.

(3) Supports the development of business transformation reports which identify progress towards business transformation goals.

(4) Prioritizes and synchronizes key DON business operations and transformation initiatives to influence DON processes.

(5) Provides a structure, through charter BTC executive advisory boards, for developing options and implementation plans related to complex, high priority initiatives.

b. The CMO AG serves as the primary AG responsible for: advising the CMO on transformation and business issues; making recommendations to convene the full BTC; serving as a governing body on related matters not requiring full BTC decisions; and receiving information briefs from the lower tier CMO WG. The Deputy Under Secretary of the Navy (DUSN) (Management), as chair, convenes the AG as needed.

c. The CMO WG shall support the DON CMO and DUSN (Management) by conducting research and analysis, sharing best practices, and assisting in implementing BTC outcomes. The Principal Deputy (PD), DUSN (Management) chairs and convenes the CMO WG.

6. BTC Membership. The BTC shall be composed of principals, advisors, and advisory and/or working groups.

a. Principal members include:

(1) Vice Chief of Naval Operations (VCNO)

(2) Assistant Commandant of the Marine Corps

(3) Assistant Secretary of the Navy (Financial Management and Comptroller)

(4) Assistant Secretary of the Navy (Research, Development, and Acquisition)

(5) Assistant Secretary of the Navy (Manpower and Reserve Affairs)

(6) Assistant Secretary of the Navy (Energy, Installations and Environment)

(7) General Counsel

(8) Deputy Under Secretary of the Navy (Management) (BTC Executive Secretary)

b. Advisors include:

(1) Deputy Under Secretary of the Navy (Policy)

(2) Deputy Chief of Naval Operations for Integration of Capabilities and Resources, (N8)

(3) Deputy Commandant, Programs and Resources, (DC P&R)

(4) Department of the Navy Chief Information Officer (DON CIO)

c. The CMO AG is chaired by the DUSN (Management). Members include Principal Deputy Assistant Secretaries of the Navy; Deputies of other BTC members and advisors; the Deputy Chief of Naval Operations for Readiness and Logistics (N4) as the representative of the VCNO.

d. The CMO WG is chaired by the PD, DUSN (Management). Members include GS15/O-6 representatives of BTC members and advisors with the N4 designee representing the VCNO.

e. The function of BTC executive secretary shall be performed by the DUSN (Management).

f. In addition to the members identified above, other personnel may be invited, in an advisory capacity, as appropriate, based upon the topics to be discussed.

7. BTC Procedures

a. The BTC shall meet at the discretion of the BTC chair.

b. Agenda topics should include predetermined issues related to DON business operations and transformation.

c. The executive secretary shall:

(1) Coordinate BTC agenda, including items proposed by principal members, with the BTC chair and presenters.

(2) Publish the BTC agenda to members in advance of each meeting.

(3) Control access to meetings and record all decisions, guidance, and directed actions.

(4) Archive all briefs and make them available to members and their staff. Many of these archives should meet the definition of a Federal record. They must be managed in accordance with paragraph 8 of this instruction.

8. Records Management. Records created as a result of this instruction, regardless of media and format, shall be managed per SECNAV Manual 5210.1 of January 2012.



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